

LAKE COUNTY, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For the Year Ended November 30, 2008

	General	Health Department	Forest Preserve Land Acquisition	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 76,504,336	\$ 22,861,675	\$ -	\$ 161,613,175	\$ 260,979,186
Charges for services	16,793,403	4,752,234	-	16,372,058	37,917,695
Licenses and permits	3,086,115	-	-	-	3,086,115
Fines and forfeitures	1,399,639	-	-	-	1,399,639
Intergovernmental	14,163,727	36,517,438	-	38,642,933	89,324,098
Investment income	4,491,691	848,127	182,281	7,629,387	13,151,486
Miscellaneous	7,840,818	133,602	100	2,009,904	9,984,424
Total Revenues	<u>124,279,729</u>	<u>65,113,076</u>	<u>182,381</u>	<u>226,267,457</u>	<u>415,842,643</u>
EXPENDITURES					
Current					
General government	43,237,054	-	-	3,987,387	47,224,441
Law and judicial	90,946,013	-	-	12,787,879	103,733,892
Health and human services	-	64,659,085	-	31,261,132	95,920,217
Transportation	-	-	-	20,676,875	20,676,875
Planning and economic development	6,027,994	-	-	5,955,539	11,983,533
Forest preserve	-	-	306,223	22,863,209	23,169,432
Capital Outlay	18,035,431	2,690,547	49,573,509	43,384,967	113,684,454
Debt Service					
Principal	-	-	-	18,445,929	18,445,929
Interest	-	-	340,068	16,192,590	16,532,658
Total Expenditures	<u>158,246,492</u>	<u>67,349,632</u>	<u>50,219,800</u>	<u>175,555,507</u>	<u>451,371,431</u>
Excess (deficiency) of revenues over expenditures	<u>(33,966,763)</u>	<u>(2,236,556)</u>	<u>(50,037,419)</u>	<u>50,711,950</u>	<u>(35,528,788)</u>
OTHER FINANCING SOURCES (USES)					
Debt issued	-	-	35,000,000	38,443,000	73,443,000
Premium on debt issued	-	-	614,031	595,632	1,209,663
Transfers in	27,456,890	6,573,854	68,600	9,281,843	43,381,187
Transfers out	(1,535,457)	-	(186,796)	(41,490,334)	(43,212,587)
Sale of capital assets	151,573	29,580	-	34,255	215,408
Total Other Financing Sources (Uses)	<u>26,073,006</u>	<u>6,603,434</u>	<u>35,495,835</u>	<u>6,864,396</u>	<u>75,036,671</u>
Net Change in Fund Balances	<u>(7,893,757)</u>	<u>4,366,878</u>	<u>(14,541,584)</u>	<u>57,576,346</u>	<u>39,507,883</u>
FUND BALANCES - Beginning	<u>121,547,498</u>	<u>23,733,201</u>	<u>15,291,954</u>	<u>169,930,784</u>	<u>330,503,437</u>
FUND BALANCES - ENDING	<u>\$ 113,653,741</u>	<u>\$ 28,100,079</u>	<u>\$ 750,370</u>	<u>\$ 227,507,130</u>	<u>\$ 370,011,320</u>

See accompanying notes to financial statements.

LAKE COUNTY, ILLINOIS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended November 30, 2008

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 39,507,883
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay per fund financial statements	113,684,454
Less: Some items reported as capital outlay in the fund financial statements did not meet the county's capitalization criteria for the government-wide statements	(5,546,699)
Depreciation is reported in the government-wide statements	(30,107,612)
Net book value of assets retired	(2,213,154)
The net effect of various miscellaneous transactions of the Forest Preserve (i.e. sales, trade-ins, and donations) is to decrease net assets	(377,543)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to government funds, while the repayment of the principal of long-term debt and increases in compensated absences consumes the current financial resources of government funds.

Debt issued	(73,443,000)
Principal paid	18,445,929
Change in outstanding balance of capital appreciation bonds	6,390,310

Deferred revenue in the fund statements is recognized as revenue in the government-wide statements.

Change in unavailable deferred revenue	(360,941)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in compensated absences	(530,896)
Change in accrued interest payable	(508,696)
Change in amortization of deferred debt costs	(120,609)
Change in issuance premium	(826,648)
Change in risk management claims and judgments	(2,878,149)
Change in other post employment benefits	(3,328,588)

Internal service funds are used by management to charge insurance costs to individual funds.	(244,697)
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CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ 57,541,344
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LAKE COUNTY, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS For the Year Ended November 30, 2008

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Public Works	Non-Major Funds	Totals	
OPERATING REVENUES				
Charges for services	\$ 33,594,598	\$ 4,931,028	\$ 38,525,626	\$ 32,280,870
Equipment replacement charges	-	-	-	623,861
Miscellaneous	240,188	13,743	253,931	-
Total Operating Revenues	<u>33,834,786</u>	<u>4,944,771</u>	<u>38,779,557</u>	<u>32,904,731</u>
OPERATING EXPENSES				
Personal services	7,286,934	2,443,066	9,730,000	-
Commodities	2,150,890	897,941	3,048,831	91,466
Contractual	18,044,134	612,847	18,656,981	32,864,983
Depreciation	5,935,264	493,776	6,429,040	554,352
Total Operating Expenses	<u>33,417,222</u>	<u>4,447,630</u>	<u>37,864,852</u>	<u>33,510,801</u>
Operating Income (Loss)	<u>417,564</u>	<u>497,141</u>	<u>914,705</u>	<u>(606,070)</u>
NONOPERATING REVENUES (EXPENSES)				
Property tax revenue	873,130	-	873,130	-
Investment income	3,112,540	147,742	3,260,282	176,016
Gain (loss) on disposal of capital assets	19,001	(5,250)	13,751	44,937
Grants	73,000		73,000	
Interest expense	(2,599,539)	(4,739)	(2,604,278)	-
Amortization of bond issuance costs	(102,871)	-	(102,871)	-
Amortization of bond premium	34,606	-	34,606	-
Total Nonoperating Revenues (Expenses)	<u>1,409,867</u>	<u>137,753</u>	<u>1,547,620</u>	<u>220,953</u>
Income (loss) before contributions and transfers	<u>1,827,431</u>	<u>634,894</u>	<u>2,462,325</u>	<u>(385,117)</u>
Capital contributions	1,720,037	-	1,720,037	-
Capital contributions - connection fees	2,245,985	-	2,245,985	-
Transfer of capital assets	-	237,123	237,123	140,420
Transfers out	(50,000)	(118,600)	(168,600)	-
Total Capital Contributions and Transfers	<u>3,916,022</u>	<u>118,523</u>	<u>4,034,545</u>	<u>140,420</u>
Change in Net Assets	<u>5,743,453</u>	<u>753,417</u>	<u>6,496,870</u>	<u>(244,697)</u>
NET ASSETS - Beginning	<u>216,620,869</u>	<u>58,714,921</u>	<u>275,335,790</u>	<u>13,070,552</u>
NET ASSETS - ENDING	<u>\$ 222,364,322</u>	<u>\$ 59,468,338</u>	<u>\$ 281,832,660</u>	<u>\$ 12,825,855</u>

See accompanying notes to financial statements.

LAKE COUNTY, ILLINOIS

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS For the Year Ended November 30, 2008

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Public Works	Non-Major Funds	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 32,704,257	\$ 4,926,289	\$ 37,630,546	\$ -
Received from insured and county departments	-	-	-	32,490,651
Received from interfund services provided	-	-	-	623,861
Paid for interfund services	-	(24,391)	(24,391)	-
Paid to suppliers and employees	(28,407,247)	(3,984,945)	(32,392,192)	(32,691,017)
Net Cash Flows From Operating Activities	4,297,010	916,953	5,213,963	423,495
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property tax revenue	873,130	-	873,130	-
Grants	73,000	-	73,000	-
Transfers out	(50,000)	(118,600)	(168,600)	-
Net Cash Flows from Noncapital Financing Activities	896,130	(118,600)	777,530	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(5,827,797)	(200,124)	(6,027,921)	(557,741)
Debt retired	(3,630,000)	(555,000)	(4,185,000)	-
Interest paid	(1,845,429)	(11,016)	(1,856,445)	-
Proceeds from sale of capital assets	19,001	15,172	34,173	74,824
Connection charges	2,245,985	-	2,245,985	-
Net Cash Flows from Capital and Related Financing Activities	(9,038,240)	(750,968)	(9,789,208)	(482,917)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income received	3,049,415	155,463	3,204,878	163,856
Proceeds from sale of investments	35,197,150	6,510,556	41,707,706	(4,937,922)
Purchase of investments	(33,567,000)	(7,256,898)	(40,823,898)	4,830,584
Net Cash Flows from Investing Activities	4,679,565	(590,879)	4,088,686	56,518
Net Change in Cash and Cash Equivalents	834,465	(543,494)	290,971	(2,904)
CASH AND CASH EQUIVALENTS - Beginning	626,555	1,122,837	1,749,392	8,621,487
CASH AND CASH EQUIVALENTS - ENDING	\$ 1,461,020	\$ 579,343	\$ 2,040,363	\$ 8,618,583
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Accretion of debt issue	\$ 754,110	\$ -	\$ 754,110	\$ -
Transfer of capital assets from other funds	\$ -	\$ 237,123	\$ 237,123	\$ 140,420
Capital assets acquired and included in accounts payable	\$ -	\$ -	\$ -	\$ 34,855
Developer-financed additions to capital assets	\$ 1,720,037	\$ -	\$ 1,720,037	\$ -

	Business-type Activities - Enterprise funds			Governmental Activities - Internal Service Funds
	Public Works	Non-Major Funds	Totals	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 417,564	\$ 497,141	\$ 914,705	\$ (606,070)
Noncash items included in operating income (loss)				
Depreciation expense	5,935,264	493,776	6,429,040	554,352
Unearned revenue	(162,205)	-	(162,205)	-
Changes in assets and liabilities				
Accounts receivable	(911,939)	(18,482)	(930,421)	(9,891)
Inventories	(1,740)	(10,005)	(11,745)	-
Other assets	-	-	-	219,671
Prepaid connection fees	(198,593)	-	(198,593)	-
Accounts payable	(710,228)	(21,694)	(731,922)	265,433
Other liabilities	(29,017)	-	(29,017)	-
Accrued salaries and wages	-	(11,648)	(11,648)	-
Compensated absences	(42,096)	(12,135)	(54,231)	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 4,297,010</u>	<u>\$ 916,953</u>	<u>\$ 5,213,963</u>	<u>\$ 423,495</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS - PROPRIETARY FUNDS				
Cash and investment - statement of net assets	\$ 18,006,009	\$ 3,613,806	\$ 21,619,815	\$ 12,650,223
Restricted cash and investments - statement of net assets - current	4,097,401	-	4,097,401	-
Restricted cash and investments - statement of net assets - noncurrent	46,032,479	-	46,032,479	-
Less: Noncash equivalents	<u>(66,674,869)</u>	<u>(3,034,463)</u>	<u>(69,709,332)</u>	<u>(4,031,640)</u>
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 1,461,020</u>	<u>\$ 579,343</u>	<u>\$ 2,040,363</u>	<u>\$ 8,618,583</u>

See accompanying notes to financial statements.